

**STATE OF OKLAHOMA'S RESPONSE IN OPPOSITION TO  
PETERSON FARMS, INC.'S MOTION IN LIMINE  
REGARDING FORMER EMPLOYEES (Dkt. #2395)**

**EXHIBIT 5**

# MEMO

To: Vic Evans, ~~Don Henderson~~, Gene Wilmoth, Janet Wilkerson  
From: Ronald J. Mullikin  
Subject: Alum, Pelletizing and other Alternative Uses  
Date: November 24, 1998

Time continues to pass with no new solutions of dealing with excess animal waste and environmental problems it is creating. There have been some changes in the actions being taken in some of these areas. Here is the most recent information I have:

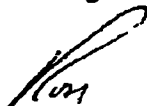
Alum continues to gain support from universities for it's ability to reduce possible Phosphate runoff. It also helps in the reduction of ammonia in the houses. The down side, is neither the EPA or the USDA recognize the difference between soluble and insoluble Phosphate. This means those agencies still view any and all Phosphate runoff as a threat to the environment. Another problem with Alum is the lack of research concerning the availability of Phosphate once litter with Alum is used on land as fertilizer. The agronomic community has not agreed on whether litter containing Alum will make good pasture or row crop fertilizer.

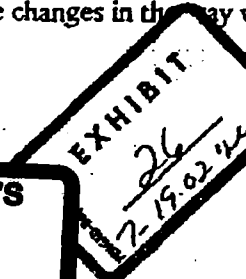
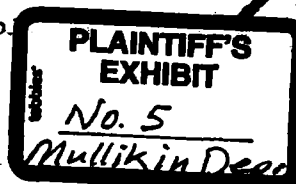
This takes us directly to the next alternative use, pelletizing. In a conversation with Plant Right, the pelletizing company from Purdy Mo., said they would not accept any litter containing Alum. This creates a problem for those growers that use Alum for ammonia control. Pelletized poultry litter has a great number of markets available to it (feed, soil amendment, bedding material, and fertilizer). But each of these markets have their own set of marketing problems. The lack of support by the cattle feeding groups has limited the litter's marketability as a feed. Transportation cost, low nutrient analyst, and 2 1/2 time the cost of commercial fertilizer, make it difficult to compete in the row crop market.

Poultry Litter fired power plants were not able to get the Green Power tax incentive during this past Congressional session. I'm told Sen. Roth of Delaware will reintroduce a bill that would subsidize that technology. The Delmarva area seems to be headed toward a Fibrowatt type facility in the near future. State and local governments are apparently willing to contribute to get a plant built.

Anaerobic digestion still has some people interested. The technology for producing methane continues to improve. We are still however left with a by- product rich in nutrients which must be disposed of.

I realize once again I've come with no new solutions, but we continue to look at anything that may solve all or part of our problem. The solution may be one or a combination of these technologies. Or it may mean our industry must make some changes in the way we do business.

  
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